

REMARKS

Introduction

A three-month extension of time to respond to the March 9, 2006 Office Action is hereby respectfully requested. The Director is hereby authorized to charge \$510.00 in payment of the three-month extension of time fee, and any additional fees required under 37 C.F.R. § 1.17 in connection with the paper(s) transmitted herewith, or to credit any overpayment of same, to Deposit Account No. 06-1075 (order no. 099999.0099). A duplicate copy of this Reply is transmitted herewith.

Claims 11 and 24 have been cancelled without prejudice. Claims 1 and 13 have been amended. New claims 27 and 28 have been added. Claims 2-9, 10, 12, 14-23, 25, and 26 are also currently pending in this case. No new matter has been added by any of the amendments to the claims.

Claims 1 and 13 have been rejected under 35 U.S.C. § 112, second paragraph, as being indefinite.

Claims 1-10, 12-23, 25, and 26 have been rejected under 35 U.S.C. § 102(e) as being anticipated by Friedland et al. U.S. Patent 6,449,601 (hereinafter "Friedland").

Reconsideration and allowance of this application in light of the following remarks is hereby respectfully requested.

The Rejections Based on 35 U.S.C. § 112

Claims 1 and 13 have been rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. This rejection is respectfully traversed.

Claims 1 and 13 were rejected under 35 U.S.C. § 112, second paragraph, because "the phrase 'can optionally' renders the claim indefinite," (Office Action, page 2, lines 5 and 6).

Applicants have amended each of claims 1 and 13 to claim a prebid, wherein a prebid "includes an opening prebid amount."

Applicants respectfully request, therefore, that the rejection under 35 U.S.C. § 112, second paragraph, of claims 1 and 13, and any claims dependent therefrom, be withdrawn.

The Rejections Based on 35 U.S.C. § 102

Claims 1-10, 12-23, 25, and 26 have been rejected under 35 U.S.C. § 102(e) as being anticipated by Friedland. These rejections are respectfully traversed.

Claims 1-10, 12, and 26

As defined by applicants' independent claim 1, a method of accepting prebids in advance of a live auction includes allowing bidders to transmit prebids, wherein at least one prebid transmitted includes "a maximum prebid amount" and "an opening prebid amount in addition to the maximum prebid amount." This flexible prebidding is shown, for example, by step 4(d) of applicants' FIG. 4 and by the sample web page of applicants' FIG. 6, and allows "a bidder to submit an opening prebid (signified by the minimum prebid amount) as well as the highest amount which they are willing to bid (their maximum prebid amount)," such that the system may "automatically increment the flexible prebids within the range defined by their minimum and maximum prebid amounts to effectively conduct an 'auction before the auction' to ascertain the highest prebid which would be submitted to the live auction of the auction lot in question," (applicants' specification, page 44, line 16 through page 45, line 3). Therefore, each bidder may submit one "prebid" with at least two "prebid amounts" (i.e., their minimum prebid amount and their maximum prebid amount).

On page 3, lines 2-4 of the Office Action of March 9, 2006, the Examiner stated that column 6, line 53 through column 7, line 20 of Friedland teaches a prebid that can "include an opening prebid amount in addition to the maximum prebid amount." Applicants respectfully disagree.

Nowhere does Friedland discuss recording prebids in a prebid database and submitting a winning prebid from the prebid database to a live auction, wherein at least one prebid includes "an opening prebid amount in addition to the maximum prebid amount," as is required by applicants' independent claim 1. Instead Friedland as a whole, and particularly the portion of Friedland cited by the Examiner, merely describes various states that a lot may transition to from its open-for-bidding state (e.g., presold state 226, pass state 218, fair warning state 228, last chance state 230, etc.). Friedland's presold state is achieved when any bid (be it a preliminary bid or a live bid) is found to equal or exceed some minimum desired value, and a lot in the presold state will be sold to the current highest bidder (be it a preliminary bidder or a live bidder) unless a higher bidder (a live bidder) is received within some time interval. Friedland does not teach accepting a prebid transmitted from a particular bidder to a prebid database, wherein the prebid of that particular bidder includes "an opening prebid amount in addition to a maximum prebid amount." Put another way, nowhere does Friedland show or suggest allowing a bidder to submit a prebid with not only a "maximum prebid amount" but also an "opening prebid amount" included in the same submitted prebid, as is required by applicants' independent claim 1.

Therefore, applicants respectfully submit that Friedland does not teach each and every element of applicants' independent claim 1, and, therefore, Friedland does not anticipate applicants' independent claim 1. Thus, for at least the above reasons, applicants' independent claim 1 and any claims dependant therefrom, including new claim 27, are allowable over Friedland. Applicants respectfully request, therefore, that the rejection under 35 U.S.C. § 102(e) of applicants' independent claim 1, and any claims dependent therefrom, including claims 2-10, 12, and 26, be withdrawn.

Claims 13-23 and 25

As defined by applicants' independent claim 13, a web site system for accepting prebids from bidders in advance of live auctions includes a prebid control system for receiving the details of a prebid including a maximum prebid amount from a bidder computer. The system of applicants' amended independent claim 13 further includes recording the prebids in a prebid database and submitting a winning prebid from the prebid database to the live auction, wherein "at least one prebid submitted by a bidder includes an opening prebid amount in addition to the maximum prebid amount."

Therefore, for at least the same reasons as described above with respect to applicants' independent claim 1, applicants respectfully submit that Friedland does not teach each and every element of applicants' amended independent claim 13, and, therefore, Friedland does not anticipate applicants' independent claim 13. Thus, for at least the above reasons, applicants' independent claim 13 and any claims dependant therefrom, including new claim 28, are allowable over Friedland. Applicants respectfully request, therefore, that the

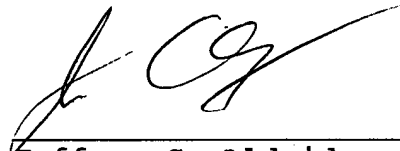
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rejection under 35 U.S.C. § 102(e) of applicants' independent claim 13, and any claims dependent therefrom, including claims 14-23 and 25, be withdrawn.

Conclusion

The foregoing demonstrates that claims 1-10, 12-23, and 25-28 are allowable. This application is therefore in condition for allowance.

Respectfully submitted,



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